

BANTON URGES LAW TO SAVE MILLIONS FROM BUNCO MEN

Prosecutor Finds Crooks So
Clever as Often to Evade
Criminal Statutes.

BROGAN GIVES ASSENT

Both Tell of Hosts of Vic-
tims of Bucket Shops Who
Pocket Losses.

WORKING TO GET REMEDY

Consolidated Brokers Meet to
Help Purify Stream of Fi-
nance at Source.

Remedial legislation, proper en-
forcement of existing laws and the
education of the public are what is
required to remedy the bucket shop
evil, according to statements made
yesterday, which indicate that agita-
tion for the bettering of conditions
and the elimination of the bucket
shop evil as it has been exposed by
The New York Herald already has
gained headway.

Statements were made yesterday
by District Attorney Jacob H. Banton
and Edward S. Brogan, former As-
sistant District Attorney in charge of
the Bureau of Commercial Frauds.
At the same time it was learned that
a group of reputable brokers con-
nected with the Consolidated Stock
Exchange had held the first of a
series of meetings for the purpose
of studying the question, cooperating
with the exchange, which has al-
ready begun a house cleaning pro-
cess, and suggesting means for end-
ing stock frauds and the fleeing of
the unwary.

Mr. Banton has had before him all
the evidence in the cases which have
so far called for criminal action, and
he has heard innumerable stories of
sharp practice wherein the bunco
men were so clever that criminal ac-
tion was not possible.

Few Victims Complain.

The study of these complaints and
his investigation of conditions in this
city have led Mr. Banton to certain
conclusions regarding which he said:
"I do not believe that 10 per cent. of
those who have been fleeced have
made complaints to the office of the
District Attorney. It is not an un-
common thing for a person to come
to the District Attorney and on learn-
ing that publicity may attach to the
complaint leave the office without
making complaint, preferring to bear
his loss rather than to let it be known
that he had been fleeced. The Dis-
trict Attorney also receives a large
number of letters and telegrams which
are never followed by personal calls
and which indicate that the writers
prefer to bear their loss rather than
to be known as having engaged either
in investment in wildcat securities,
speculation or gambling with bucket
shops."

"It has also impressed itself upon
my mind that those who have either
invested or gambled are persons who
are not financially able to undertake
such a hazard. These sharks prey
upon the predominant characteristics
of human nature—one is the inclina-
tion to gamble and the other is the
desire to get rich quick. The average
salesman for these concerns is little
short of a confidence man and the
average security that is sold on solici-
tation is of as much value as a gold
brick."

"For a long time I have thought the
supervision of the exchanges over the
operations of the financial district would
prove ample protection to the people
and that no other supervision would
be required. I have reached a different
conclusion as a result of recent condi-
tions, reflected in this office."

Victims Need Protection.

"In ordinary commercial life it is
much better to leave the matter of
credits to the merchant and safeguard
it only by criminal statutes against
fraud and false representations. But
the persons who have been the victims
of the larcenies, bucket shop transac-
tions and other occurrences reflected in
the complaints now pending in this office
are not engaged in regular business, are
not accustomed to determining credits
and are not in a position to protect
themselves."

"Because the great mass of people
who deposit in banks and insure either
their lives or property are not qualified
to pass on the stability of the institution
with which they deal the State has seen
fit to put banks and the insurers under
State supervision, and in so far as fre-
quent inspection and supervision can
insure to the people the honesty and
financial stability of these institutions,
the State through this supervision sees
to it that the banks and insurance com-
panies are safe."

"It would seem to me that there should
be immediate legislation providing for
a blue sky law as to all the securities
offered for sale in this State and pro-
viding for the registration and licensing
of all persons and concerns who deal in
securities, either as brokers, under-
writers or in any other capacity, and
Continued on Page Seven.

NATION HONEYCOMBED BY BUCKETEER FIRMS AND WILDCAT BROKERS

Illusions of Outsiders About Metropolis Valuable Asset
of Swindlers, Whose Myriad Victims Live Every-
where—Some Refuse to Deal at All With
New Yorkers, Fearing Exposure.

This is the tenth of the series of articles which THE NEW YORK
HERALD is publishing in exposure of the bucket shop evil. The
larcenies of vast sums and many of the methods used in bucket shop
swindles already have been told. This article undertakes to show
something of the nationwide scope of the bucket shop operations. The
eleventh article will appear to-morrow.

The average person is inclined to think when he reads of great for-
tunes won and lost in the stock market and of the plunderings by bucket
shops of the purses of would be traders in stocks and bonds that such
things happen only in New York.

It is probable that no concept of anything in these United States is
more distorted than the idea which the average citizen of the smaller
cities has of New York. It is not strange, though, that such is the case.
There are millions of people whose idea of New York is based largely
upon motion pictures depicting palatial apartments, hectic night revels
in gorgeous restaurants, gambling houses running full blast amid scenes
of barbaric splendor, and ticker tape in Wall Street offices virtually turn-
ing into money as it winds out of the glass. Lurid magazine stories have
helped to create this picture. Sensational newspaper articles have added
to the illusion.

In short, it would hardly appear to persons living in distant places
that there are people living in New York who go to bed before sun up, and
sober; that there are citizens of the metropolis who get up at the same
time as most Americans in other cities and work just as hard and honest-
ly all day long; that there are one or two obscure individuals in the
vast throngs hurrying through the subways who do not live in luxury
bought with dishonest gain; that a gambling house is about the hard-
est thing possible for anybody to find in New York.

It is a fact, of course, hang goes a
news article some fine morning and
reveals an isolated instance, which
seems to bear out any or all of these
visions of life in New York city.
With so great population, some such
conditions might reasonably be ex-
pected, on a basis of percentage of
crooks and rotters to the bulk of the
citizenship. The fact that New York
is the financial center of the country
naturally turns the eyes of persons
living elsewhere to this point as the
place where great fortunes may be
made quickly.

Glamour Lures Victims.

Now, the purpose of the foregoing
discussion is not to hold a brief for
the morality and honesty of New
York. It is simply to indicate the
glamour and awe which has grown up
around the name in the minds of a
vast number of people scattered be-
tween the Atlantic and the Pacific
oceans. And it is for the additional
purpose of showing that this peculiar
and perverted psychological attitude
toward New York is one of the greatest
assets the bucket shop has in fleecing
the public.

In other words, the bucketeer takes
it for granted—and his judgment is
vindicated in an appalling number of
cases—that the modest business man
or any person with a little money in
a distant city believes that any in-
formation of an apparent financial na-
ture sent out of New York must be of
importance, and that the "broker" with
an office in the New York financial dis-
trict, where he is daily in the at-
mosphere and in contact with financial
affairs, must have "inside information"
regarding such matters.

Now, take that situation and add to
it all the ostentatious pretense of sub-
stantiality and integrity and in which
the bucket shop hands out its "infor-
mation" regarding the mysterious and
gigantic deals in which "killings" are
to be made, and you see the fabric of
which the out of town trade of the
bucket shop is constituted.

There is hardly a bucket shop in
New York which has not one or more
out of town branches. Some of them
have a score or more. Dier & Co., who
recently failed for \$4,000,000, had
seventeen establishments. Even a little
concern like Daniels & Co., a firm
of two youngsters who started with
nothing, ran eighteen months and
lost \$50,000, had three out of town
branches.

It is not infrequent, in fact, that the
first information received in New York
of the crooked dealings of some ob-
scure bucket shop here comes from
some victim in a middle Western or
Southern town.

Authorities Here Act Too Late.

Consider the case of Anderson,
Brown & Co., 32 Broadway, whose
books the New York county District
Attorney's office undertook unsuccess-
fully to seize last week in connection
with two complaints filed against the
company here.

The reason the District Attorney was
unable to get the books was because
the operations of that concern in
Cleveland and Pittsburgh had resulted
in criminal proceedings and bank-
ruptcy before New York was aware
of the firm's alleged misconduct. Then
bankruptcy here followed quickly, and
the receiver had the books before the
prosecuting officer could get to them.
Anderson, Brown & Co.'s manager in
Pittsburgh was arrested, while the
complaints in Cleveland present an in-
teresting aspect of out of town opera-
tions.

If the charges preferred against An-
derson, Brown & Co. in Cleveland be
true, they would indicate that the New
York office was not responsible, in
some degree at least, for at least one
of the transactions upon which the
Cleveland complaints are based. In
other words, what is known so far
points to the suspicion that the Cleve-
land branch was doing its own bucket-
eering without waiting to give the main
office in New York a chance at it.

There is, in fact, hardly a brokerage
Continued on Page Seven.

BANDIT AT DEAL, J. J. RAIDS DINNER PARTY; GETS \$50,000 GEMS

Lines Up Two Women and
Three Men, Demanding
Their Valuables.

GUN THREATENS DEATH

Warns Victims That Pal
Will Shoot Any One Who
Makes an Outcry.

MAKES HIS ESCAPE EASILY

Mrs. Sarah Robertson, Hostess,
Had Delayed Putting Valu-
ables in Vault.

LONG BRANCH, N. J., Feb. 19.—Mrs.
Sarah H. Robertson of 88 Phillips ave-
nue, Deal, N. J., was entertaining last
night at dinner in her home last
night when there came a knock at the
door. She went to answer it, and left
seated at the table in the dining room
her niece, Miss Alice Robertson; H. C.
Taber of Belmont, N. J., and Davis S.
Meyer and Edgar M. Lazarus, real
estate brokers of Long Branch.

The four guests heard Mrs. Robert-
son open the door and ask some one
what was wanted. Then they heard
her cry out, but before they could so
much as get to their feet Mrs. Robert-
son appeared at the door of the dining
room, her hands above her head and
walking backward.

Following her was a man who
pointed a revolver at her. He held
the gun in one hand, while in the
other was a diamond sunburst; that
he had wrested from Mrs. Robert-
son's throat when she opened the door.

Hostess Walks Backward.

The bandit compelled Mrs. Robertson
to walk backward across the room until
the table stopped further progress. Then
he made her sit down, and told the
others that if they tried to make any
move he would kill them. They said
nothing, for it was evident the man
meant what he said.

He was a big, powerfully built man
with his figure draped in a heavy mack-
intosh, and all of his face but his eyes
covered by a white mask. He kicked a
serving table across the room, never
raising his back on the five persons at
the dining table, and then stood be-
hind it.

"Now," he said, "come here, one at a
time and put out everything you've
got."

He waved the gun at Mr. Meyer, who
went across the room and put his wallet
containing \$50 in the serving table. The
man put it in his pocket and pointed to
Mrs. Robertson, Lazarus and Taber. He
pointed to Mrs. Robertson, who, thinking
the bandit had not seen her, reached up
and taken a handbag from the side-
board.

Brings the Bag Here.

"Bring the bag here," said the bandit.
"Quick!"

Mrs. Robertson refused and the bandit
tore it from her grasp. It contained,
according to statements made to the
Deal and Long Branch police by Mrs.
Robertson, about \$500 in cash and
jewelry worth \$50,000, which she had
taken from a safe deposit box in the
vaults of the Hotel McAlpin last Satur-
day and had hidden in the banding he
pushed it into his pocket. Kicked the
serving table out of his way and started
to back out of the room, making no ef-
fort to rob either Lazarus, Taber or Miss
Robertson.

"Sit here for five minutes," he told
Mrs. Robertson and her guests. "I'll
have a man watching, and if anybody
moves before five minutes they'll be
killed."

He backed into the hall, reached to the
front door and opened and slammed it
behind him. Where he went after get-
ting out of the house the authorities do
not know, but they believe that he had
an automobile parked near by and that
he used the machine to escape.

Police Notified by Phone.

As soon as the front door had slammed
Lazarus telephoned to the Deal police
headquarters, and Chief Rogers and sev-
eral detectives hurried to the house.
They searched the grounds, but could
find no trace of the bandit or any ac-
complices that he might have had. Laz-
arus told the police that he heard a
motor car after the man had gone, but
no tracks could be seen on the frozen
ground.

Continued on Page Three.

MISS MCCORMICK, 16, TO WED MAN OF 48, FATHER ANNOUNCES

J. D. Rockefeller Will Per-
mit Granddaughter's Wed-
ding to Riding Master.

VERY HAPPY, SHE SAYS

Newspaper Publicity Causes
Family Plans to Be Made
Known at This Time.

OSER CONFIRMS REPORT

Receipt of Message From Zu-
rich Prompts Mr. McCormick
to Make Public Statement.

SPECIAL DISPATCH TO THE NEW YORK HERALD.
CHICAGO, Feb. 19.—"Mr. Harold F.
McCormick announces the engage-
ment of his daughter Mathilde to Mr.
Max Oser of Zurich, Switzerland. This
announcement is hastened a few
weeks by the fact of the recent news-
paper publicity."

This announcement was telephoned
to the Chicago correspondent of The
New York Herald personally by Har-
old F. McCormick this evening.

"I have nothing to add to the state-
ment at present," said Mr. McCormick,
father of Miss Mathilde McCormick, 16,
whose reported engagement to the
Swiss riding master, three times her
senior, was printed several days ago.

Miss McCormick when asked over
the telephone if she cared to make a
statement, replied:

"Just say that I am too very, very
happy to talk—that's all."

The announcement by Mr. McCormick
was hastened by the fact that The
New York Herald's correspondent
in Zurich had cabled confirmation
of the engagement from the home of
Max Oser.

Mr. McCormick was notified of The
New York Herald cable at dinner this
evening. Of the cable after the con-
tents had been read to him Mr. McCormick
asked:

"Are you sure that Mr. Oser con-
firmed the engagement?"

Mr. McCormick was assured that
Mr. Oser had confirmed the rumor
that has set every phase of society
throughout the country buzzing.

"We have spent the entire day in-
doors in conference, but I think I
will have a very important announce-
ment for you very soon," replied Mr.
McCormick. "Don't leave your office.
I'll phone you sure before long."

Mr. McCormick was also very pro-
fuse in his thanks for the information
received from Switzerland. Later he
telephoned the announcement quoted.

Mr. McCormick when asked when
the wedding would take place and
where said: "That's something I left
for another day. I think I have settled
enough for one day. Good night."

It Was Learned Authoritatively That

the consent of Miss McCormick's
grandfather, John D. Rockefeller, to
the engagement was obtained late this
afternoon.

BRIDE TO BE IS PROUD

OF AMERICAN SLANG

"That's the Dope," She Ex-
claims for the Reporters.

CHICAGO, Feb. 19. (Associated Press).—
Miss Mathilde McCormick is one of the
heirs to the great fortunes of John D.
Rockefeller and Cyrus Hall McCormick,
inventor of the reaping machine. Her
father, of whom little is known here,
is said to have an income of \$10,000 a
year. He is just two years younger
than Miss Mathilde's father, who was
born in Chicago fifty years ago.

Miss McCormick went to Switzerland
eight years ago for medical treatment
and has made her home there ever
since, spending a great part of her
time out of doors, tramping over the
mountains and riding her favorite
horses, often in company with Mr. Oser,
whose riding academy she attended.

All trace of the early infection which
reconciled her living in Switzerland
has disappeared and she is now a tall,
straight limbed, black haired girl with
large black eyes and pleasant, though
not regular, features.

To newspaper men who were here
yesterday at tea yesterday she disclosed
that she dislikes "parties" and prefers
the quiet of her country home in Swit-
zerland.

Continued on Page Six.

PLEA FROM WAR WOUNDED DISRUPTS BONUS RAIDERS; FORDNEY THEIR SOLE HOPE

BONUS OPPOSITION GROWING IN SOUTH

Legion in South Carolina Ad-
heres to Vote Against Pay-
ment for Patriotism.

WANT AID FOR DISABLED

Opinion Is Divided in Some
Sections, but All Favor
Help for Wounded.

While reports from Southern cities
indicate a division of opinion on the
proposed soldiers' bonus, with business
organizations strongly opposing the
plan and ex-service men in some sec-
tions favoring it, there is general ap-
proval of the proposal to confine the
bonus to soldiers disabled in the war.
Following are reports from several
cities in response to inquiries sent out
by THE NEW YORK HERALD:

SPECIAL DISPATCH TO THE NEW YORK HERALD.
ATLANTA, Feb. 19.—The bonus op-
posed by the Chamber of Commerce,
which voted against a general bonus
on record, however, as in favor of voca-
tional and educational aid to soldiers
in getting land, and in being given all
proper care where needed.

The sentiment of the directors was
expressed by one who stated that the
financial end of the matter did not in-
fluence him at all, but that a general
bonus, in his opinion, would be a bad
thing for the men themselves. Patriot-
ism, he said, was beyond purchase, and
he added in closing that such a bonus
would be to lower the ideals of the men
who served across seas.

On the other hand, at the last joint
luncheon of the American Legion posts
in Atlanta, the chief speaker, Dean Thomas
H. Johnston of the Episcopal Cathedral
declared his disgust with the situation
obtaining in Congress. Some kind of a
bonus may be passed for the benefit
of the men, he said, but politicians will
use, he added, every skill and every
subterfuge in their power to make the
service men hated and scorned by the
body politic.

If this bonus is passed, he said, it
will be weighted down with offensive
taxation and then the politicians will
"cutting" their finger at the
soldier and say: "He did it."

Dr. Johnston, who served abroad af-
ter the armistice in U. S. C. A. work,
urged the soldiers to band themselves
together in an active organization to
make it known that the legion was a
"force" in American affairs and that
when this was done he asserted the ex-
soldier would get proper recognition.

The attitude of the banks and busi-
ness men of Atlanta was reflected in an
interview given to THE NEW YORK
HERALD correspondent by Robert F.
Maddox, president of the Atlanta Na-
tional Bank and former president of
the National Banking Association. Mr.
Maddox stated that so far as he could
find out bankers and business men gen-
erally were a unit in opposing the
bonus plan. He said they were not
opposed to just one form of taxation
but to any additional burden of this
nature.

He declared it did not matter what
kind of a tax was imposed; it
meant greater difficulty in bringing
about the readjustment of conditions
for which every one is so greatly dis-
tressed.

"Business conditions have been bad
and readjustment has naturally been
slow," he said. "Any additional tax
imposed will make things harder for
everybody. It is better to let the de-
pression alone until a business im-
provement has really set in."

Veterans in Mississippi

Divided on Bonus Issue.

SPECIAL DISPATCH TO THE NEW YORK HERALD.
JACKSON, Miss., Feb. 19.—The ex-ser-
vice men of Jackson are about evenly
divided for and against the soldier bonus
bill now before Congress, a fact shown
by their recent ballot, a meeting of
the National American Legion, A. Henry
small majority favored the insurance
proposition, but there was little feeling
over the matter one way or the other.

Personally the editor of the Jackson
Evening News is opposed to the bonus,
stating that he feels confident it would
do the ex-soldier boys small good, for
what has become of the six months after
they received it, and he so stated in his
paper. He is an ex-service man and
commander of the Henry Graves Post.

"The different points of the bonus are
now taking a vote on the subject, just
as Jackson did a few weeks ago, but no
results have been sent in so far. The
impression is that the ex-service men
are going to scramble for some bonus.
They did their bit in the war with Ger-
many and many of them do not want
any further pay for what they did, but
they are being made by Congress, believing
it would do the greatest good to the
greatest number."

John Yeager, Representative in the
House of Representatives from the State of
Texas, introduced a bill last Friday urg-
ing Congress to pass the bonus bill as
a slight token of appreciation of the
services of the brave boys who stood with
the war and calling on the State's Sen-
ators and Representatives to support the
measure. This bill was referred to the
Judiciary Committee, of which Mr. Yeager
is chairman, and no doubt will be
reported favorably and perhaps accepted
as the sentiment of the House, but a
lively scrap is anticipated before it
reaches final roll call.

A prospectus of the school contained
a picture of the promoter of the school,
which, the police say, is strikingly like
Benson. Benson denied being the man.
He had in his possession a letter incu-
suring a final payment of \$10 for his course
of instruction in safe entering, which he
had not mailed.

The arrested man gave his name as
Charles Benson, 39, of Ridley Park,
Philadelphia, and is held for breaking
Continued on Page Two.

Bonus Raid a Menace to Cash for Campaign

SPECIAL DISPATCH TO THE NEW YORK HERALD.
NEW YORK, Feb. 19.—The bonus raid threatens
to play havoc with the Republi-
can party in the coming
Congressional campaign. This is
indicated by the answers received
by Representative Fess (Ohio),
chairman of the Congressional
Campaign Committee, to an appeal
for funds.

Representative Fess sent out
20,000 letters to former contribu-
tors. He expected to have money
rolling in by this time. It was
learned to-day that only one con-
tribution has been received.

But Mr. Fess has been swamped
with letters saying none will be
contributed to the campaign if the
bonus bill is enacted.

\$1,100,000 STARTS GREAT JEWISH DRIVE

New York Meets Challenge of
J. M. Loeb to Subscribe Its
\$5,000,000 Quota.

SAYS CITY IS DERELICT

Warburg Pledges \$1,000,000
and Large Sums are Given to
Aid Europe's Starving.

The Jews of New York city pledged
\$1,100,000 last night toward the \$14-
000,000 fund for the relief of condi-
tions among the Jews of eastern Eu-
rope which it is proposed to raise in
the United States.

New York's quota has been set at
\$5,000,000. The campaign was launched
at two dinners, one held at the Com-
modore, where 1,400 persons attended,
and the other at the Biltmore, where
800 more were gathered.

The largest single contribution was
made by Felix M. Warburg, who
pledged \$100,000. Mortimer Schiff
gave \$50,000. Mrs. Jacob H. Schiff
\$25,000. Adolph Lewisohn \$25,000.
Paul M. Warburg \$20,000 and Mr.
and Mrs. Herbert H. Lehman \$20,000.

At a dinner in the Commodore, which
was intended to start the campaign
among the Jews of Manhattan and The
Bronx, Jacob M. Loeb of Chicago, who
was chairman of the city's war relief
campaign, flung down a challenge to
New York to retrieve its record in the
previous drives for Jewish relief.

His challenge was taken up by Louis
Marshall, who admitted that New
York's Jewish had not contributed its
rightful share when it was called upon
before, but declared his faith that this
city would answer the challenge in full
before the campaign has ended.

"New York city," said Mr. Loeb, "has
shirked her responsibility. Not less than
75 per cent. of the wealth of the Jews
of this country is within the confines of
New York. Yet in 1918 her pledges to
war relief funds, with her population
constituting half the Jewish population
of the country, were less than 60 per
cent. of her allotted quota."

"Again in 1920 her pledges were less
than 40 per cent. of her quota. For this
reason she stands indicted for indiffer-
ence, negligence and inhumanity. In
1918 less than 92 per cent. of her
pledges were collected and paid in; in
1920 less than 85 per cent."

"I know not with what loud tones
the East describes such a performance.
Among the roughnecks on Mr. Dooley's
Archie Road, where I spent my youth
and received my early education, I
never heard of such a thing."

In the West we frankly call it dishon-
esty. And of these things New York
stands indicted."

Mr. Loeb drew a picture of the suf-
fering Jews of Europe. "Homeless fugi-
tives, driven and wandering, the
stranger through Poland and the Ukraine.
Maltreated and tortured, this is your
own flesh and blood and they are in
their millions. They have been in their
places. It is only by chance that your forefathers
emigrated west and theirs east. The
Jews of New York eat, some glutted
with food, and others starve."

"The different points of the bonus are
now taking a vote on the subject, just
as Jackson did a few weeks ago, but no
results have been sent in so far. The
impression is that the ex-service men
are going to scramble for some bonus.
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DECEIT SUSPECTED

Ex-Service Men Demand
Cash and Now Accuse
Their Leaders of
Making Deal.

PROTESTS POURING IN

Rural Districts Join De-
mand to Kill Move to
Pay Gratuity.

NEW HOUSE BILL COMING